

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4470
ANSWERED ON:08.08.2014
CORE BANKING FACILITIES
Birla Shri Om

Will the Minister of FINANCE be pleased to state:

- (a) the number of persons and percentage of total population using core banking services in the country;
- (b) whether the banks have achieved the target in this regard during the last three years; and
- (c) if so, the details thereof along with the steps taken by the banks to achieve the target?

Answer

The Minister of State in the Ministry of Finance (Smt. Nirmla Sitharaman)

a) to c) As per Census 2011, 58.7 % household are availing banking services in the country.

Under the Swabhimaan campaign, the Banks were advised to provide appropriate banking facilities to habitations having a population in excess of 2000 (as per 2001 census) by March 2012. The banks identified approximately 74000 habitations across the country having a population of over 2000 for providing banking facilities. As per reports received from Banks, 74351 villages with population of above 2000 were covered with banking facilities either by branches or Business Correspondents or mobile banking by March 31, 2012.

In order to extend the banking network in unbanked areas, general permission has been granted by Reserve Bank of India (RBI) to domestic Scheduled Commercial Banks (other than Regional Rural Banks) to open branches/ mobile branches/ Administrative Offices/CPCs (Service Branches), (i) in Tier 2 to Tier 6 centres (with population upto 99,999) and (ii) in rural, semi-urban and urban centres of the North-Eastern States and Sikkim subject to reporting. RBI has advised banks that while preparing their Annual Branch Expansion Plan (ABEP), the banks should allocate at least 25 percent of the total number of branches proposed to be opened during a year in unbanked rural (Tier 5 and Tier 6) centres.

It has been announced in the Union Budget 2014-15 that a time bound programme would be launched as Financial Inclusion Mission on 15th August this year to provide all households in the country with banking services.